

JOURNAL OF THE PROCEEDINGS OF THE BOARD OF COMMISSIONERS OF COOK COUNTY



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**DAVID ORR
COUNTY CLERK**

**JOURNAL OF THE PROCEEDINGS
OF THE
BOARD OF COMMISSIONERS
OF COOK COUNTY**

**JANURARY 5, 2005
(Special Meeting)**



JOHN H. STROGER, JR., PRESIDENT

JERRY BUTLER
FORREST CLAYPOOL
EARLEAN COLLINS
JOHN P. DALEY
ELIZABETH ANN DOODY GORMAN
GREGG GOSLIN
CARL R. HANSEN
ROBERTO MALDONADO

JOSEPH MARIO MORENO
JOAN PATRICIA MURPHY
ANTHONY J. PERAICA
MIKE QUIGLEY
PETER N. SILVESTRI
DEBORAH SIMS
BOBBIE L. STEELE
LARRY SUFFREDIN

**DAVID ORR
COUNTY CLERK**

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**JOURNAL OF THE PROCEEDINGS
OF THE
BOARD OF COMMISSIONERS
OF COOK COUNTY**

Meeting of Wednesday, January 5, 2005

**2:00 P.M.
Central Standard Time**

COOK COUNTY BOARD ROOM, COUNTY BUILDING

Board met pursuant to the following call:

December 28, 2004

The Honorable David Orr
Cook County Clerk
69 West Washington Street
Chicago, IL 60602

Dear Clerk Orr:

Pursuant to the authority vested in me, I hereby call a Special Meeting of the Board of Commissioners of Cook County for Wednesday, January 5, 2005, at the hour of 2:00 P.M. in the County Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois, at which meeting I will present the Message of the President to the Board of Commissioners submitting the Executive Budget for Fiscal Year 2005 and various other revenue ordinances.

Very truly yours,

JOHN H. STROGER, JR., President
Cook County Board of Commissioners

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COPY OF LETTER SENT TO ALL COMMISSIONERS

December 29, 2004

Honorable President and
Members of the Cook County
Board of Commissioners

Ladies and Gentlemen:

John H. Stroger, Jr., President of the Board of Commissioners of Cook County has directed me to call a Special Meeting of the Board of Commissioners of Cook County on Wednesday, January 5, 2005, at the hour of 2:00 P.M. in the County Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois, at which meeting the Message of the President to the Board of Commissioners submitting the Executive Budget for Fiscal Year 2005 and various other revenue ordinances will be presented.

Very truly yours,

DAVID ORR, County Clerk

* * * * *

This is to certify that a copy of the above notice was hand delivered and personally addressed to each Member of the Board of Cook County Commissioners at their home address and was deposited in the United States Mail on December 29, 2004.

DAVID ORR, County Clerk

* * * * *

The following Legal Notice appeared in the Chicago Tribune Newspaper on Sunday, January 2, 2005.

LEGAL NOTICE

John H. Stroger, Jr., President of the Board of Commissioners of Cook County, has directed me to call a Special Meeting of the Board of the Commissioners of Cook County on Wednesday, January 5, 2005, at the hour of 2:00 P.M. in the County Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois, at which meeting the Message of the President to the Board of Cook County Commissioners submitting the Executive Budget for Fiscal Year 2005 and various other revenue ordinances will be presented.

Very truly yours,

DAVID ORR, County Clerk and Clerk
of the Board of the Commissioners of Cook County, Illinois

January 2, 2005

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OFFICIAL RECORD

President Stroger in the Chair.

CALL TO ORDER

At 2:00 P.M., being the hour appointed for the meeting, the President called the Board to order.

QUORUM

County Clerk David Orr called the roll of members and there was found to be a quorum present.

ROLL CALL

Present: Butler, Claypool, Collins, Daley, Gorman, Goslin, Hansen, Maldonado, Murphy, Quigley, Silvestri, Sims, Steele, Suffredin, Stroger-15.

Absent: Moreno, Peraica-2.

BUDGET MESSAGE OF THE PRESIDENT

to the

BOARD OF COMMISSIONERS FOR THE FISCAL YEAR 2005

January 5, 2005

Good afternoon ladies and gentlemen, Chairman Daley, Vice-Chairman Steele, commissioners and elected officials, citizens and employees.

The introduction of the fiscal 2005 Executive Budget marks the presentation of my tenth budget. It also marks the presentation of the most challenging budget to date.

We have deliberately taken additional time this year to allow for the most complete revenue estimates possible and to allow time for my finance team to work with elected officials and department heads in reducing their requests. This additional time also enabled us to begin to prudently address public safety issues at the jail that are currently before the federal court.

In the end, this budget will fully fund the obligations of this County to its citizens, its taxpayers and its employees. As difficult as the decisions were in developing this budget, I am proud to say that the 2005 budget will not compromise service, public health or public safety. And most importantly, it will not increase the burden on property owners.

I have remained steadfast in my commitment to provide County services without an increase in the property tax levy and I am proud to say that I have held to that commitment once again.

These past ten years have been productive for us as a government. We have many accomplishments that should make all of us very proud. We put the County's financial house in order. We held to our pledge to hold the line on property taxes.

Over the past ten years, we have earned the highest bond rating this government has had in more than twenty-five years. We have made significant investments, hundreds of millions of dollars in technology. In information systems that enable us to timely distribute property tax collections that are essential to funding local government. Our information systems are also becoming the backbone to law enforcement throughout this county. With these systems, municipalities will be able to provide their residents with the highest level of service technology allows.

In my tenure as President, we successfully entered the new millennium without any glitches. We have opened 23 ambulatory care clinics, bringing the countywide number to 28, which has saved millions in what otherwise would have been primary care visits to our emergency rooms. We have built new divisions and remodeled others in the Department of Corrections to ensure the safety of our employees and detainees. We built and opened a new hospital to ensure that the medically indigent and most vulnerable of our residents are afforded the same access and quality health care most people take for granted.

Through the Community Development Block Grant program, we distributed more than \$100 million to municipalities and community groups to support more than 800 different projects. We passed a new comprehensive land use plan and a new zoning ordinance. We brought clean water and police patrols to the Village of Ford Heights.

We opened child advocacy centers in many of our courthouses. We have streamlined internal processes like payroll and accounts payable. We have worked to level the playing field for minorities and women. It was just ten years ago that we were elected for the first time in single member districts which has made holding County office more attainable for more people and has made us more accountable to our constituents.

We moved traffic court into the Daley Center - something many said was impossible - yet has proven to be a huge success. We have moved more services on-line making interaction for the taxpayer less cumbersome.

We have been on a solid path for the past ten years. Our financial strategy over this time has remained a careful balancing of the needs of our constituents with fiscal responsibility. It is my intention to remain on that path, to continue to provide our citizens with the highest level of service possible while remaining sensitive to spending their tax dollars.

This is not a budget with new spending or new programs. For the most part, this is a budget which continues to fund the essential services we provide, most often to those without a voice.

This budget process began in July. Despite my direction that elected officials and department heads hold the line on spending, when original departmental requests were submitted, we were faced with a \$252 million dollar increase over 2004 levels.

This increase can be attributed to a number of factors...the rising cost of labor...continued increases in health insurance for employees...requests for new positions...the increase in the costs of goods and services, particularly pharmaceuticals and medical supplies for our patients...staffing requests from the Sheriff to address the Duran consent decree...and, as I cautioned last year, the need to replace one-time revenues that were used to balance the Fiscal 2004 Budget.

Through the diligence of my financial team, we were able to pare back those requested increases by \$179 million leaving us with a shortfall of \$73 million.

That being said, today I present to you a \$3.04 billion dollar budget that is balanced and fully funds the obligations of this County in terms of public safety and public health, as well as the offices of eleven separately elected officials. These eleven offices, from the Sheriff to the Board of Review, represent more than one billion dollars of the operating budget.

This budget, for the sixth consecutive year, holds the property tax levy constant at \$720 million dollars, something few other governments can claim and given increases in assessed valuations and property tax increases by other units of government, reflects my belief that we should not burden homeowners and businesses with additional real estate taxes.

Given our limited resources, there are no new funds for capital equipment or capital programs. We have asked offices to operate within existing appropriations and reprioritize in light of the difficult times we are in.

Other than 283 new positions in the Department of Corrections, there are no other new positions in this budget.

In fact, this budget eliminates 620 positions, mostly in the offices under the President and under-funds another 1,232 positions spread across the County. The combined savings from these two actions is in excess of \$42 million. This brings the total number of jobs eliminated in ten budgets to more than 2,000 positions - almost all of which have been in the offices under my direct authority.

Our personnel costs drive every budget. Year after year after year, we balance the County's budget on the backs of the departments under my direct control. I want to once again thank those departments who have given more than their fair share and are stretching our limited resources. These departments have sensibly leveraged the investments that we have made in automation and infrastructure to make their operations more efficient. I also want to thank Treasurer Pappas, Assessor Houlihan and Recorder Moore whose offices complied with my directive to hold the line.

Public safety remains the single largest component of the County's budget. The budget provides more than one billion dollars in spending for public safety programs and services. Our public safety system is more than the Cook County Department of Corrections. It is a comprehensive system that provides both the defense and prosecution in many cases. We are obligated to fund the judicial system and more than 300 courtrooms. We pay for everything from the judges healthcare to the court deputies and court clerks. More than a million and a half new cases are filed annually in our consolidated court system which is the second largest in the nation.

Contained in the 2005 budget is \$14 million for the hiring and training of 283 new personnel for the Department of Corrections in a measured response to the federal consent decree we entered into in 1982. The consent decree is the result of a federal lawsuit involving overcrowding, staffing and other conditions at the jail. We have long been concerned with the conditions at the jail and have always worked closely with both the court and the plaintiffs in attempting to mitigate the problems.

In fact, we have spent nearly a half billion dollars since 1989 making capital improvements to directly address issues surrounding the conditions at Cook County Jail. From the construction of Division XI, to a new central kitchen, to new facilities at Cermak Health Services, we have invested year after year in the health and safety of the detainees and employees.

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Make no mistake, I am committed to resolving the issues surrounding Duran and will do my absolute best to see that conditions continue to improve, but I also have a responsibility to ensure that if we encumber additional costs, they are reasonable and necessary.

This administration will continue to work with the Federal Court on the consent decree. We will develop a multi-year plan that thoughtfully addresses the court's concerns but we must do it in light of what taxpayers can afford.

While the Sheriff requested 200 new positions in his 2005 budget request, I am recommending 283 new employees be hired and trained over the next year. To coincide with hiring and training schedules, a number of the 283 positions are only funded for a portion of next year. Therefore, this 14 million will easily grow to \$19 million in 2006 when we have to fully fund all of these positions for a full year.

Also contained in this budget is sufficient funding for the personnel study I pledged to conduct of the entire Sheriff's Office. In determining appropriate staffing levels, it is important to understand how corrections officers are deployed. With almost 6,500 employees, a dwindling area of unincorporated Cook County to patrol, courtrooms that are not used all day, everyday, declining crime rates, and a variety of alternatives to detention programs like I-bonds, we, as a Board, must understand how assets are being deployed in a time of limited resources. This Board has always supported public safety programs, including the operation of the Boot Camp which is a state responsibility, but it is now time for the public safety arm of this government to support the taxpayers.

There are more internal methods to improve staffing levels. If the Sheriff would address a daily absenteeism rate over 10 percent for corrections officers at the Jail, then we might not need to hire additional officers. If the Sheriff would consider the reallocation of personnel within his 6,500 employees, especially in light of the difficult budget times we are in, then we might not need to hire additional employees.

Cook County taxpayers spend nearly \$22,000 annually per inmate. If the state would take responsibility for the more than seven hundred parole holds sitting in County jail, our daily population would be more manageable at current staffing levels. At a minimum, the state should reimburse the County for housing, feeding and providing health care for their prisoners. Instead, the state has been closing their facilities and passing these costs along to local Cook County taxpayers as yet another unfunded mandate. I have shared these concerns with the Governor and will continue to push for increased funding to assist our taxpayers in paying for what is the state's responsibility.

It should also be noted that the Sheriff is the only elected official or department head who has yet to eliminate his share of the positions vacated as a result of the Early Retirement Incentive. Because of the consent decree, I did not direct the Budget Department to delete the 112 ERI positions still due from the Sheriff as I did with all other departments.

This budget provides \$896 million for our Bureau of Health Services which experienced a major change in leadership this past year. Dr. Winship has wasted no time in identifying areas for improvement and in working with state and federal officials in seeking additional reimbursements.

This budget includes \$41 million in new health revenues through additional public aid

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reimbursements for prescriptions and other revenue management improvements.

Our health care system is one of the largest, most successful and modeled after public health care systems in the nation. We care for more patients in one day than most hospitals do in a week. We fill more prescriptions at Stroger Hospital of Cook County each day than 26 Walgreens pharmacies combined. In fact, prescriptions filled increased from 2.2 million in 2003 to 2.8 million in 2004, an increase of 27%. And the numbers are growing.

This economy has placed more and more people in our care and created an obligation that this government, under my leadership, will not turn its back on.

This year's spending plan will provide for the continued operation of Stroger Hospital, Provident Hospital of Cook County, Oak Forest Hospital of Cook County, Cermak Health Services of Cook County, the Department of Public Health, the Ruth M. Rothstein CORE Center and the Ambulatory and Community Health Network clinic system.

In 2004, there were more than 1 million outpatient and clinic visits, 227,000 emergency service visits and nearly 33,000 admissions to our facilities.

At Provident Hospital of Cook County alone, there were nearly 7,000 admissions last year. To those of you who question our need to keep this hospital open, tell the more than 50,000 people who used the emergency room last year where you expect them to go and get the services they need and deserve. Provident remains home to one of the busiest emergency rooms in Chicago.

The ambulatory clinic system was organized in 1995. Last year alone, this system facilitated more than 650,000 clinic visits at an average cost of just \$141 dollars per visit. The numbers at the Ruth M. Rothstein CORE Center are continuing to rise. Last year, CORE logged more than 34,000 patient visits, with estimates for 2005 expected to reach nearly 37,000. Oak Forest Hospital of Cook County remains a critical component to the Bureau of Health Services. Emergency room visits have increased from 13,000 just four years ago to more than 25,000 in 2004, while admissions have increased from 2,200 to more than 3,100 in that same time period.

As one of only a few Level 1 Trauma Centers in the area, Stroger Hospital of Cook County remains the largest of our health facilities. With admissions exceeding 22,800 last year, and more than 150,000 emergency room visits, this hospital remains a critical service provider to those with the most acute injuries, as well as the under-insured and medically indigent of this county.

The Cook County Department of Public Health continues to serve our suburban residents with the highest level of care possible. While taking on the added responsibility of bioterrorism preparedness, the department continues to provide the core services of disease prevention, health education and clinic services. Clinic visits are fast approaching the quarter of a million mark.

This budget continues to fund the operations of the Bureau of Administration which includes vital county services such as highway, the medical examiner's office, economic development, building and zoning, and industrial engineers as well as the ongoing efforts of the Bureau of Information Technology and Automation to equip all County offices with the necessary systems to provide taxpayers with the most efficient services possible. These bureaus, along with the Bureaus of Finance and Human Resources, get less attention than others but the services they provide are vital to our daily operations.

Our services are generally provided to those in a last resort situation. You may not need to use our services on a daily basis but you feel better knowing they are there should you fall ill without medical insurance, need fair representation in a legal matter, or God forbid, get into a serious car

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accident and need the expert medical care of our world renown trauma center.

This county and county governments in general, have a daunting task. The services we provide are not tangible to the average taxpayer yet we ask all taxpayers to assist in funding them.

As I said earlier, this budget also provides more than one billion dollars in operating funds for the eleven separately elected officials. This funding represents my acknowledgment that many of the services they provide are important and necessary. From assessing 1.7 million parcels of land to conducting elections in the suburbs for millions of citizens...from recording well over a million documents in the Recorder's office to collecting and distributing tax proceeds to more than 700 units of local government, the importance of these offices can not be disputed. I firmly believe, however, that each elected official, in working with this Board, can identify areas for reductions as we move forward in this budget process.

While there are no new County dollars for new programs, there are a number of initiatives that we plan to undertake in 2005 which will both improve service delivery and offer efficiencies to the taxpayers.

In 2005, we look forward to the opening of the new Domestic Violence Courthouse - to ensure that those who have the need to use this facility are provided with the security and services they deserve.

With federal homeland security funds, we will wire every municipality who desires so that they can take advantage of the most state-of-the-art technology available for homeland security. This technology will also greatly assist in day-to-day law enforcement matters.

In 2005, we will create a mail-order pharmacy system that will avoid the need of many of our patients to take public transportation and wait in long lines to have their prescriptions filled.

The Sheriff has agreed to pilot a program in the County Building to privatize custodial services. Estimates indicate we may be able to save several million dollars annually if we were to institute this program in all of the courthouses.

Last year, we instituted a new healthcare contribution schedule for executive employees. Healthcare costs have risen by another 14% this year and we will ask for additional contributions from all employees during union negotiations. At my direction, our labor team will also work to develop a new pay schedule that is both fair to our employees and taxpayers.

I warned this Board last year that we had been too dependent on one-time revenues to balance the 2004 budget and that at some point those revenues would dry up and we would have to replace them with reliable, on-going revenue streams. Last year, we used \$32 million in one-time federal health care funding and another \$14 million from the self-insurance fund to balance the 2004 budget.

With the exception of tobacco taxes, our revenues have remained relatively flat over the past several years.

When I was elected ten years ago, I appointed a transition team comprised of a number of well known and respected public, private and civic leaders to look at the funding of this government. They said, and I quote from their report, "new sources of revenue - which grow with the economy - are needed in order to reduce the reliance on property taxes and to support increasing health facility and law enforcement costs".

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Ten years ago, property taxes represented 32% of the County's budget. Today, through expenditure reductions and alternate revenue sources, property taxes represent less than 24% of our revenues - an accomplishment I am immensely proud of considering the undue burden other units of local government place on property owners.

That being said, we were faced with difficult decisions on how to eliminate the remaining \$73 million dollar shortfall I spoke of earlier. Cutting any deeper would mean service reductions and layoffs, neither of which I can support at a time when more and more people are relying on us for their basic needs. Therefore, we were faced with identifying new revenue options.

To maintain our commitment to the citizens of this County in holding the line on property taxes, I am proposing a 2% hotel-motel tax which will generate approximately \$20 million this year and a 2% prepared food and beverage tax which will generate \$50 million this year. I am also recommending an automatic amusement device tax of \$200 per device which is expected to yield \$5 million dollars.

Hotel and food and beverage taxes are commonly used by counties across the Country. In Orange County, California, the county levies a 10% tax on hotel rooms while Fairfax County, Virginia levies a 4% tax. Miami-Dade County levies a 3% prepared food and beverage tax while Arlington County, Virginia levies a 2% tax.

I understand the difficulty of supporting new taxes. I instructed my finance team to do everything they could to avoid it but they have assured me that department heads and elected officials have represented that cuts deeper than the \$179 million would impact service delivery. If we are to continue to provide the level of service our citizens expect today, next year and beyond, then our choices are limited.

The measure of our success years from now will not be about how long it took to come to agreement on the budget, or how many headlines supported our individual political agendas. It will be about taking seriously the needs of the citizens of this county with the utmost respect for the taxpayer.

It will be about continuing to provide hundreds of thousands of residents with health care. It will be about providing prenatal care to ensure healthy futures for our children. It will be about vaccinating those most vulnerable against influenza.

It will be about caring for the most serious injuries in our trauma center. It will be about providing men with prostate screenings and women with mammograms to detect early stages of cancer. It will be about providing the most comprehensive communicable disease care in this country.

Our success will be about securing the five million residents of this county from not only terrorism but from day-to-day public safety issues like drugs and alcohol. It will be about ensuring the safety of the detainees and employees in our department of corrections.

It will be about linking more than 100 communities to the most state-of-the-art communications systems to allow for real-time video of crimes in progress and other public safety incidents. It will be about making sure that our families feel secure in a new domestic violence courthouse. It will be about ensuring access and fair representation for all citizens regardless of their financial status.

It will be about maintaining a 500 mile highway system that connects nearly every municipal boundary in this county. It will be about ensuring that every vote counts during an election. It will be about fair assessments. It will be about doing our level best to attract and retain companies in Cook County. And it will be about leveling the playing field for women and minorities in all our contracts.

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It will be about open, honest and fair representation for all citizens.

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Today, I have laid out my 2005 executive budget recommendation. And I remind you that it is just that. My recommendation is based on months of meetings and analysis with staff and elected officials and years of budget experience. I hope that over the next several weeks, the rhetoric that dominated last year's budget process will make way for the reality of what we have been charged to do by the citizens of this County.

I encourage each of you, in your role as commissioner, to take advantage of the budget process as an opportunity to fully understand the services we provide. To ask the difficult questions during the hearing process, to offer amendments that are thoughtful and reasonable and to remember that there are citizens in this county that rely on us for some very basic needs.

I want to thank the finance team...Chief Financial Officer Tom Glaser, Budget Director Donna Dunnings, Comptroller Walter Knorr and Revenue Director Barbara Bruno as well as Finance Chairman John Daley for his continued leadership.

I thank you for your patience, for your attention and for your cooperation as we move forward on behalf of the five and one half million residents of Cook County.

Thank you and may God continue to bless all of us.

JOHN H. STROGER, JR., President

* * * * *

The Message of the President to the Board of Cook County Commissioners was given by President Stroger.

* * * * *

President Stroger then submitted the Executive Budget to the Board of Commissioners for the Fiscal Year 2005, for referral to the Committee on Finance.

Commissioner Daley, seconded by Commissioner Steele, moved that the President's Executive Budget be referred to the Committee on Finance. **The motion carried unanimously.**

PROPOSED ORDINANCES

Submitting a Proposed Ordinance sponsored by

JOHN H. STROGER, JR., President of the Cook County Board of Commissioners

PROPOSED ORDINANCE

COUNTY OF COOK, ILLINOIS AUTOMATIC AMUSEMENT DEVICE TAX

WHEREAS, the County of Cook is a home rule unit of local government pursuant to Article VII, Section 6(a) of the 1970 Illinois Constitution; and

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WHEREAS, as a home rule county, the County of Cook is authorized to impose and collect a tax on Automatic Amusement Devices at locations within Cook County; and

WHEREAS, the Board of Cook County Commissioners finds that such alternative and new sources of revenue are required to fund the operations of Cook County Government.

NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS:

SECTION 1. TITLE.

This Ordinance shall be known and may be cited as the "Cook County Automatic Amusement Device Tax". The tax herein imposed is in addition to all other taxes imposed by the County of Cook, the State of Illinois or any municipal corporation or political subdivision of any of the foregoing.

SECTION 2. DEFINITIONS.

For the purpose of this Ordinance, whenever any of the following words, terms or definitions are used herein, they shall have the meaning ascribed to them in this Section:

"Automatic amusement device" means any machine, which, upon the insertion of a coin, slug, token, card or similar object, or upon any other payment method, may be operated generally for use as a game, entertainment or amusement, whether or not registering a score, and includes but is not limited to such devices as jukeboxes, marble machines, pinball machines, video games, movie and video booths or stands, bingo machines, slot machines, video games of chance and similar devices as permitted by law and all games, operations or transactions similar thereto under whatever name by which they may be indicated. If a machine consists of more than one game monitor which permits individuals to play separate games simultaneously, each separate game monitor shall be deemed an automatic amusement device.

"Department" or "Department of Revenue" means the Cook County Department of Revenue.

"Director" means the Director of the Cook County Department of Revenue.

"President" means the President of the Cook County Board of Commissioners.

"Owner" means any person who has an ownership or leasehold interest in such an automatic amusement device, or any person who has a proprietary interest in the automatic amusement device, so as to entitle such person to all or a portion of the proceeds from the operation, conduct or presentation of such automatic amusement device.

"Person" means any natural individual, firm, society, foundation, institution, partnership, limited liability company, association, joint venture, public or private corporation, receiver, executor, trustee, or other representative appointed by the order of any court, or any other entity recognized by law as the subject of rights and duties. The masculine, feminine, singular and plural are included in any circumstance.

SECTION 3. TAX IMPOSED.

An annual tax in the amount of \$200.00 is imposed upon each automatic amusement device

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operated within the County of Cook.

SECTION 4. TAX DECAL REQUIREMENTS.

A. The Automatic Amusement Device Tax shall be paid by the owner of such device to the Department. The Department shall issue as evidence of the payment of the tax a self-voiding adhesive tax decal to be placed on each device. The decal will be valid for the period beginning on September 1st through August 31st. Such decal shall bear the words "Cook County Amusement Device Tax", or any other wording as may be prescribed by the Department. It shall be unlawful for any person to mutilate a tax decal during the year for which it was issued.

B. It shall be unlawful for the owner or lessee of any premises or person in control of such premises to permit the installation or use of an automatic amusement device within the County of Cook unless the tax has been paid and is evidenced by a tax decal affixed to a conspicuous location on the automatic amusement device. Each such device shall be plainly labeled with the name, address and telephone number of its owner. No person shall remove, alter or deface the tax decal required by this Ordinance, or allow use of an automatic amusement device if the tax decal has been removed, altered, defaced or become illegible. The owner or lessee of the premises where the device is placed for operation by the public and every person responsible for the premises shall be jointly and severally liable for a violation of this Section.

C. A decal must be purchased from the Department and affixed to an automatic amusement device prior to its placement at a location in Cook County.

D. No decal shall be transferable. No refunds shall be made for any decal properly issued by the Department.

SECTION 5. SEIZURE FOR UNLAWFUL USE.

Whenever the Department or any of its duly authorized representatives shall discover any automatic amusement device that does not bear the proper tax decal, the owner of the device may be subject to penalties as provided in the County Uniform Penalty, Interest and Procedures Ordinance and the device, or any part of the contents thereof, may be seized by any duly authorized enforcement official. An administrative hearing shall be held by the Department regarding the unlawful use including but not limited to, the penalties to be imposed and the seizure, if applicable. Notice of the hearing shall be sent to the owner of record at the address set forth on the identification label affixed to the device. The device shall be retained by the enforcing officer until such time as the owner of the device pays the delinquent tax, any penalties assessed by the hearing officer, and reimburses the County for actual cartage cost incurred in the seizure and \$50.00 for each day or part of day the device has been in storage. If it is determined at a hearing that a seized device was properly decaled, it shall be returned to the owner without charge. If it is determined that the automatic amusement device was not properly decaled and the penalties and other costs have not been paid to the County as provided above, the device and all money found within the device at the time of confiscation shall become the property of the County. The device may be sold by the County and the profits from the sale, as well as any confiscated funds found within the device, shall be used to defray the costs associated with seizure, cartage, notice, storage and hearings. If the owner of the device does not respond to the notice of hearing within 20 days after the mailing of the notice, the device and its contents may be forfeited to the County upon order of the hearing officer.

SECTION 6. REGISTRATION OF OWNERS, RENEWALS AND REMITTANCE.

A. It shall be the duty of each owner or person in possession of an automatic amusement device to apply for registration with the Department within twenty (20) days after the adoption of this Ordinance or the commencement of business. Application for registration shall be made to the Department by use of a form furnished by the Department for such purpose and shall contain information the Department requires. Applications for renewal of tax decals must be made to the Department on or before August 1st of each year.

B. It shall be the duty of each owner or person in possession of an automatic amusement device to purchase a decal before the automatic amusement device is placed into service in Cook County.

C. It shall be the duty of each owner of an automatic amusement device placed in service in Cook County to make payable to the Cook County Collector a tax remittance, which must accompany its application. No application shall be processed unless a tax remittance of \$200 per device accompanies said application.

SECTION 7. BOOKS AND RECORDS.

Every owner or person in possession of an automatic amusement device within Cook County shall jointly and severally have the duty to maintain complete and accurate books, records and accounts showing the proper tax has been paid for each amusement device. These documents shall be made available to the Department or a duly authorized representative for examination upon reasonable notice and during normal business hours.

SECTION 8. RULES AND REGULATIONS.

The Department may promulgate reasonable rules, definitions, and regulations necessary to carry out the duties imposed upon it by this Ordinance.

SECTION 9. PENALTIES.

Any violation of this Ordinance shall be punishable by a fine of not less than \$100.00 and not more than \$1,000.00 or imprisonment for a period not to exceed six (6) months, or by both such fine and imprisonment. It shall be deemed a violation of this Ordinance for any person knowingly to furnish false or inaccurate information as required herein. Criminal prosecutions pursuant to this Ordinance shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest and penalties due and owing, as well as costs incurred for such proceeding. Civil penalties and interest assessed pursuant to this Ordinance shall be computed at the rate provided by the Cook County Uniform Penalty, Interest and Procedures Ordinance (Cook County Ord. 92-O-53).

SECTION 10. REPEALER.

All ordinances, resolutions, orders or parts thereof, which conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

SECTION 11. SEVERABILITY.

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If any one or more of the provisions of this Ordinance is declared unconstitutional or the application thereof is held invalid, the validity of the remainder of this Ordinance and the application of such provisions to other persons and circumstances shall not be affected thereby.

SECTION 12. EFFECTIVE DATE.

This Ordinance shall take effect on September 1, 2005.

Commissioner Daley, seconded by Commissioner Steele, moved that the Proposed Ordinance be referred to the Committee on Finance. (Comm. No. 268952). **The motion carried unanimously.**

* * * * *

Submitting a Proposed Ordinance sponsored by

JOHN H. STROGER, JR., President of the Cook County Board of Commissioners

PROPOSED ORDINANCE
COUNTY OF COOK, ILLINOIS
PREPARED FOOD AND ALCOHOLIC BEVERAGE TAX

WHEREAS, the County of Cook is a home rule unit of local government pursuant to Article VII, Section 6(a) of the 1970 Illinois Constitution; and

WHEREAS, Illinois law (55 ILCS §5/5-1009) permits home rule units to impose a tax on food prepared for immediate consumption and on alcoholic beverages sold by a business which provides for on premises consumption of said food or alcoholic beverages; and

WHEREAS, the Board of Cook County Commissioners finds that such alternative and new sources of revenue are required to fund the operations of Cook County Government.

NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS:

SECTION 1. TITLE.

This Ordinance shall be known and may be cited as the "Cook County Prepared Food and Alcoholic Beverage Tax Ordinance". The tax herein imposed is in addition to all other taxes imposed by the County of Cook, the State of Illinois or any municipal corporation or political subdivision thereof.

SECTION 2. DEFINITIONS.

For the purpose of this Ordinance, whenever any of the following words, terms or definitions are used herein, they shall have the meaning ascribed to them in this Section:

A. "Prepared Food"

1. "Prepared Food" means and includes any solid, beverage (including both alcoholic and non-alcoholic liquid), powder or item used or intended to be used for human internal consumption, whether simple, compound or mixed, and which has been prepared for immediate consumption.

2. "Prepared Food" may be purchased for consumption within or upon the premises where it is sold or it may be purchased for consumption off the premises where it is sold. However, with respect to food purchased for consumption off the premises where it is sold, "Prepared Food" does not mean or include any food which is sold in a closed or sealed bottle, can, carton or container of the manufacturer or wholesaler or which has not been prepared for immediate consumption.

B. "Alcoholic Beverage"

"Alcoholic Beverage" includes alcohol spirits, wine and beer and any liquid or solid, patented or not, containing alcohol, spirits, wine, or beer, and capable of being consumed as a beverage by a human being. The provisions of this Ordinance shall not apply to alcohol used in the manufacture of denatured alcohol produced in accordance with Acts of Congress and regulations promulgated there under, nor to any liquid or solid containing one-half of one percent or less of alcohol by volume.

C. "Person"

"Person" means any natural person, trust, court appointed representative, syndicate, association, partnership, firm, club, company, corporation, business trust, institution, agency, government corporation, municipal corporation, district or other political subdivision, contractor, supplier, vendor, vendee, operator, user or owner or any officers, agents, employees, or other representatives acting either for himself or for any other person in any capacity or any other entity recognized by law as the subject of rights and duties; the masculine, feminine, singular or plural, is included in any circumstances.

D. "Purchase at Retail"

"Purchase at Retail" means to obtain for use or consumption in exchange for a consideration, whether in the form of money, credits, barter or any other nature, and not for resale.

E. "Retailer"

"Retailer" means a Person who sells or offers for sale, for use or consumption and not for resale.

F. "Prepared Food Facility"

1. "Prepared Food Facility" means any person or establishment in Cook County, which sells at retail Prepared Food and which provides for on premise consumption of said food, whether said food is consumed on the premises or not, and whether or not such Prepared Food Facility is conducted along with any other use(s) in a common premise or business establishment.

2. A "Prepared Food Facility" includes but is not limited to establishments commonly called a restaurant, eating place, drive-in restaurant, bakery, buffet, cafeteria, café, lunch counter, fast food outlet, catering service, coffee shop, diner, sandwich shop, soda fountain, bar, cocktail lounge, soft drink parlor, ice cream parlor, tea room, delicatessen, hotel, motel, or club, or any other establishment which sells at retail, Prepared Food.

3. A "Prepared Food Facility" does not include churches, public or private schools, boarding houses, day care centers, hospitals, nursing homes, retirement centers or similar

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residential care facilities or programs for the central preparation of meals to be delivered and consumed at private residences of invalids or the elderly and which are not presently subject to the State Retailers' Occupation Tax. A facility shall be included as a Prepared Food Facility under sub-section F.1. above if it fails to meet the criteria set forth in this sub-section F.3.

G. "Alcoholic Beverage Facility"

"Alcoholic Beverage Facility" means any Person or establishment in Cook County which sells at retail Alcoholic Beverages and which provides for on premises consumption of said beverages, whether said beverages are consumed on the premises or not, and whether or not such Alcoholic Beverage Facility is conducted along with other uses(s) in a common premise or business establishment.

H. "Department"

"Department" means the Department of Revenue in the Bureau of Finance of Cook County.

I. "County Board"

"County Board" means the Board of Commissioners of Cook County.

SECTION 3. TAX IMPOSED.

Effective as of and commencing on the effective date of this Ordinance, a tax, in addition to any and all other taxes, is imposed upon the purchase of Prepared Foods and Alcoholic Beverages at retail at any Prepared Food Facility or Alcoholic Beverage Facility within Cook County at the rate of two percent (2%) of the purchase price of such Prepared Food and Alcoholic Beverage. The liability for payment of the tax shall be borne by the purchaser.

SECTION 4. COLLECTION OF TAX BY RETAILER.

The owner and operator of each Prepared Food Facility and each Alcoholic Beverage Facility within Cook County shall jointly and severally have the duty to collect and account for said tax from each purchaser at the time that the consideration for such purchase is paid.

SECTION 5. BOOKS AND RECORDS.

The owner and operator of each Prepared Food Facility and each Alcoholic Beverage Facility within Cook County, shall jointly and severally have the duty to maintain complete and accurate books, records and accounts showing the gross receipts for sales of Prepared Food and Alcoholic Beverage, and the taxes collected each day, which shall be made available to the Department for examination and for audit by the Department upon reasonable notice and during normal business hours.

SECTION 6. REGISTRATION OF OWNERS AND OPERATORS.

A. Registration. The owner or operator of each Prepared Food Facility and each Alcoholic Beverage Facility within the County of Cook shall register with the Department no later than twenty (20) days after the adoption of this Ordinance or the commencement of business.

B. Filing. Owners or operators of Prepared Food and Alcoholic Beverage Facilities shall file a sworn tax return on a monthly basis with the Department showing gross sales of Prepared Foods and Alcoholic Beverages during the preceding monthly period, upon forms prescribed by the Department. Each tax return of sales of Prepared Foods and Alcoholic

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Beverages shall be accompanied by a remittance to the County of Cook of all taxes imposed by this Ordinance which are due and owing for the period of time to which the tax return applies.

C. Remittance. The remittance and tax return shall be filed with the Department on the last day of the month following the month which the tax return and remittance covers. A tax return received in an envelope, properly addressed to the Department and postmarked by the United States Post Office on or before the last day of the month shall be considered timely filed. The remittance shall be made payable to the Cook County Department of Revenue. The tax return shall also be accompanied with a copy of the return filed with the Illinois Department of Revenue for sales within Cook County covering the same reporting period.

SECTION 7. RULE MAKING.

A. The Department may prescribe reasonable rules, definitions, and regulations not inconsistent with this Ordinance necessary to carry out the duties imposed upon it by this Ordinance. Such rules, definitions, and regulations shall include, but not be limited to, reasonable procedures consistent with existing practices of owners and operators of Prepared Food Facilities and Alcoholic Beverage Facilities for collection and remittance of the tax herein levied upon the purchaser of Prepared Foods and Alcoholic Beverages.

B. The Department shall have the authority to appoint operators or owners or any other person within or without the County of Cook as agents for the collection and remittance of the tax herein levied. The Department is hereby authorized to grant a commission not exceeding one percent (1%) of the tax due under this Ordinance to such agent for services rendered in connection with the tax herein levied, provided said tax is remitted, in full, by the due date.

SECTION 8. PENALTIES.

Any violation of this Ordinance shall be punishable by a fine of not less than \$100.00 and not more than \$1,000.00 or imprisonment for a period not to exceed six (6) months, or by both such fine and imprisonment. It shall be deemed a violation of this Ordinance for any person knowingly to furnish false or inaccurate information or fail to file the tax return and remittance as required herein. Criminal prosecutions pursuant to this Ordinance shall in no way bar the right of Cook County to institute civil proceedings to recover delinquent taxes, interest and penalties due and owing, as well as costs incurred for such proceeding. Civil penalties and interest assessed pursuant to this Ordinance shall be computed at the rate provided by the Cook County Uniform Penalty, Interest and Procedures Ordinance. (Cook County Ord. 92-O-53).

SECTION 9. TRANSMITTAL OF EXCESS TAX COLLECTIONS.

If any person collects an amount in excess of the tax imposed by this Ordinance, but which amount is purported to be a collection thereof, and does not return the same to the purchaser who paid the tax, the person who collected the tax shall account for and pay over those excess amounts to Cook County along with the tax properly collected.

SECTION 10. SEVERABILITY.

If any one or more of the provisions of this Ordinance is declared unconstitutional or the application thereof is held invalid, the validity of the remainder of this Ordinance and the application of such provisions to other persons and circumstances shall not be affected thereby.

SECTION 11. CONFIDENTIALITY.

All information received by the Department from returns filed pursuant to this Ordinance or from any investigations conducted pursuant to this Ordinance, except for official County purposes, or as required by the Freedom of Information Act, shall be confidential.

SECTION 12. EFFECTIVE DATE.

This Ordinance shall take effect and be in force as of April 1, 2005.

Commissioner Daley, seconded by Commissioner Steele, moved that the Proposed Ordinance be referred to the Committee on Finance. (Comm. No. 268953). **The motion carried unanimously.**

* * * * *

Submitting a Proposed Ordinance sponsored by

JOHN H. STROGER, JR., President of the Cook County Board of Commissioners

PROPOSED ORDINANCE

**COUNTY OF COOK, ILLINOIS
HOTEL ACCOMMODATIONS TAX**

WHEREAS, the County of Cook is a home rule unit of local government pursuant to Article VII, Section 6(a) of the 1970 Illinois Constitution; and

WHEREAS, as a home rule county, the County of Cook is authorized by 55 ILCS 5/5-1009 to impose and collect a tax, however measured, based on the use of a hotel or motel room or similar facility at a location within Cook County; and

WHEREAS, the Board of Cook County Commissioners finds that such alternative and new sources of revenue are required to fund the operations of Cook County Government.

NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS:

SECTION 1. TITLE.

This Ordinance shall be known and may be cited as the "Cook County Hotel Accommodations Tax Ordinance". The tax herein imposed is in addition to all other taxes imposed by the County of Cook, the State of Illinois or any municipal corporation or political subdivision thereof.

SECTION 2. DEFINITIONS AND CONSTRUCTION.

A. **Definitions.** For the purpose of this Ordinance, whenever any of the following words, terms or definitions are used herein, they shall have the meaning ascribed to them in this Section:

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1. "County" means the County of Cook.
2. "Department" means the Cook County Department of Revenue within the Cook County Bureau of Finance.
3. "Director" means the Director of Revenue, or his or her duly authorized representative.
4. "Hotel accommodations" means a room or rooms in any building or structure kept, used or maintained as or advertised or held out to the public to be an inn, motel, hotel, apartment hotel, lodging house, bed-and-breakfast establishment, dormitory or place, where sleeping, rooming, office, conference or exhibition accommodations are furnished for lease or rent, whether with or without meals, in which seven or more such accommodations are used or maintained for guests, lodgers or roomers. The term "hotel accommodations" shall not include (i) an accommodation which a person occupies, or has the right to occupy, as his or her domicile and permanent residence; or (ii) any temporary accommodation provided in any building or structure owned or operated, directly or indirectly, by or on behalf of a not-for-profit medical institution, hospital, or allied educational institution; or (iii) any temporary accommodation provided by an accredited educational institution for use by its students.
5. "Person" means any natural person, receiver, administrator, executor, conservator, assignee, trust in perpetuity, trust, estate, firm, copartnership, joint venture, club, company, business trust, domestic or foreign corporation, association, syndicate, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise. Whenever the term "person" is used in any clause prescribing and imposing a penalty, the term as applied to associations shall mean that the owners or part-owners thereof, and as applied to corporations, the officers thereof.

B. Construction. In this Ordinance, unless the text otherwise requires, words in the singular number include the plural and in the plural include the singular; words of the masculine gender include the feminine and the neuter; and when the context so indicates, words in the neuter gender may refer to any gender.

SECTION 3. TAX IMPOSED.

Effective as of and commencing on the effective date of this Ordinance, a tax is imposed and shall accrue and be collected upon the use of hotel accommodations within Cook County at a rate of two percent (2%) of the gross rental or leasing charge.

SECTION 4. TAX TO BE BORNE BY TENANT.

The ultimate incidence of and liability for payment of said tax shall be borne by the lessee or tenant of any such hotel accommodations. The tax herein levied shall be in addition to any and all other taxes. It shall be the duty of every owner, manager or operator of hotel accommodations to secure said tax from the lessee or tenant of said hotel accommodations and pay over to the Department said tax under rules and regulations prescribed by the Director and as otherwise provided by this Ordinance.

SECTION 5. HOTEL TO SECURE TAX FROM TENANT.

The tax herein levied shall be secured by the hotel accommodation owner, manager, or operator

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from the lessee or tenant when collecting the price, charge or rent to which it applies. Every lessee or tenant shall be given a bill, invoice, receipt or other statement or memorandum of the price, charge or rent payable upon which the hotel accommodations tax shall be stated, charged and shown separately.

SECTION 6. REGISTRATION OF OWNERS AND OPERATORS; FILING AND REMITTANCE.

A. Registration. Every owner, manager or operator of hotel accommodations within the County, after the adoption of this Ordinance, shall register with the Department within twenty (20) days after the adoption of this Ordinance or the commencement of business.

B. Filing. Owners, managers or operators shall file a sworn tax return on a monthly basis with the Department showing tax receipts received with respect to hotel accommodations rented or leased during the preceding monthly period, upon forms prescribed by the Director. At the time of filing said tax return, the owner, manager or operator of hotel accommodations shall pay to the Department all taxes due for the period to which the tax return applies.

C. Remittance. The remittance and tax return shall be filed with the Department on the twentieth (20th) day of the month following the month for which the return and remittance covers. A tax return received in an envelope, properly addressed to the Department and postmarked by the United States Post Office on or before the twentieth day of the month shall be considered timely filed. The tax return shall also be accompanied by a remittance of the appropriate amount of tax applicable to the receipts reported. The remittance shall be made payable to the Cook County Collector.

SECTION 7. BOOKS AND RECORDS.

Every owner, manager and operator of hotel accommodations within the County, shall jointly and severally have the duty to maintain complete and accurate books, records and accounts showing (1) the process, (2) rents or charges made or charged, and (3) occupancies taxable under this Ordinance each day. These documents shall be made available to the Department or a duly authorized representative for examination and for audit by the Department or a duly authorized representative upon reasonable notice and during normal business hours.

SECTION 8. RULE MAKING.

A. The Department may prescribe reasonable rules, definitions, and regulations not inconsistent with this Ordinance necessary to carry out the duties imposed upon it by this Ordinance. Such rules, definitions, and regulations shall include, but not be limited to, reasonable procedures consistent with existing practices of owners, managers or operators of hotel accommodations for collection and remittance of the tax herein levied upon the lessee or tenant of any hotel accommodations.

B. The Department shall have the authority to appoint owners, managers, or operators and any others persons within or without the County of Cook as agents for the collection and remittance of the tax herein levied. The Department is hereby authorized to grant a commission not exceeding one percent (1%) of the tax due to the County under this Ordinance to such agent for services rendered in connection with the tax herein levied, provided said tax is remitted, in full, by the due date.

SECTION 9. PENALTIES.

Any violation of this Ordinance shall be punishable by a fine of not less than \$100.00 and not more than \$1,000.00 or imprisonment for a period not to exceed six (6) months, or by both such fine and imprisonment. It shall be deemed a violation of this Ordinance for any person knowingly to furnish false or inaccurate information as required herein. Criminal prosecutions

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pursuant to this Ordinance shall in no way bar the right of the County to institute civil proceedings to recover delinquent taxes, interest and penalties due and owing, as well as costs incurred for such proceeding. Civil penalties and interest assessed pursuant to this Ordinance shall be computed at the rate provided by the Cook County Uniform Penalty, Interest and Procedures Ordinance (Cook County Ord. 92-O-53).

SECTION 10. TRANSMITTAL OF EXCESS TAX COLLECTIONS.

If any person collects an amount in excess of the tax imposed by this Ordinance, but which amount is purported to be a collection thereof, and does not return the same to the purchaser who paid the tax, the person who collected the tax shall account for and pay over those excess amounts to the County along with the tax properly collected.

SECTION 11. SEVERABILITY.

If any one or more of the provisions of this Ordinance is declared unconstitutional or the application thereof is held invalid, the validity of the remainder of this Ordinance and the application of such provisions to other persons and circumstances shall not be affected thereby.

SECTION 12. CONFIDENTIALITY.

All information received by the Department from returns filed pursuant to this Ordinance or from any investigations conducted pursuant to this Ordinance, except for official County purposes, or as required by the Freedom of Information Act, shall be confidential.

SECTION 13. TAX TO BE PAID INTO COOK COUNTY TREASURY.

All proceeds resulting from the imposition of the tax under this Ordinance, including penalties and interest, shall be paid into the treasury of the County and shall be credited to and deposited in the corporate fund of the County.

SECTION 14. EFFECTIVE DATE.

This Ordinance shall take effect and be in force as of April 1, 2005.

Commissioner Daley, seconded by Commissioner Steele, moved that the Proposed Ordinance be referred to the Committee on Finance. (Comm. No. 268954). **The motion carried unanimously.**

ADJOURNMENT

Commissioner Silvestri, seconded by Commissioner Murphy, moved that the Special Meeting do now adjourn.

The motion prevailed and the Special Meeting stood adjourned.

The next regular County Board Meeting is scheduled by law, for Thursday, January 20, 2005.

County Clerk

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